

Public Hearing & Work Session: SB 9A SB 14A SB 272
Tapes 39 A/B
40 A

HOUSE COMMITTEE ON
HOUSE REVENUE AND SCHOOL FINANCE
PROPERTY TAX SUBCOMMITTEE

MARCH 5, 1993 9:00 AM HEARING ROOM A STATE CAPITOL BUILDING

Members Present: Representative Tom Brian, Chair Representative Mike Burton
Representative Margaret Carter Representative Fred Girod Representative
Delna Jones Representative Jim Whitty
Witnesses Present: Jim Manary, Department of Revenue Janice Druian,
Director of Assessment and
Taxation, Multnomah County; Oregon State
Association of County Assessors
B.J. Smith, League of Oregon Cities
Staff: James Scherzinger, Legislative Revenue Officer
Paula McBride, Committee Assistant

TAPE 39 SIDE A

005 CHAIR BRIAN called the meeting to order at 9:26.
008 CHAIR BRIAN opened the Work Session on SB 9A
011 JIM MANARY answered the question members had concerning delinquent
taxes on property that is partitioned, an issue connected with SB 9A. Back
taxes do not have to be paid before partitioning if there are 3 or less
partitions. He gave an example, going through the steps necessary for
partitioning, and explaining how back taxes are reflected in property
records.
Questions and discussion interspersed
043 JIM MANARY related that if property is subdivided (4 or more
partitions) then the delinquent taxes have to be paid before the

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meeting. Text enclosed in quotation marks reports the speaker's exact
words. For complete context of proceedings, please refer to the tape
recording.

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partitioning is done.
Questions and discussion
162 JANICE DRUIAN believed the language about partitioning in SB 9A was a
good idea, but that problems did not arise in this area very often.
Questions and discussion
199 JIM MANARY said the assessor, under the current tax law, will not
create new tax lots until the back taxes are paid. He reiterated that this
problem does not occur often, but he believed the language should be kept
in SB 9A to correct any discrepancies in tax law language that might exist.
Questions and discussion interspersed with JIM MANARY and JANICE DRUIAN
295 JIM MANARY said this problem is not one for the assessor's office or
the administrative system. The proposed language relates to one person who

buys one of the partitions and, before closing, finds out that back taxes are due on his/her land.

325 CHAIR BRIAN noted members reached consensus on Section 1 of SB 9A.
Discussion

357 MOTION REP. WHITTY moved SB 9A
engrossed to

the full Committee with a do-
pass
recommendation.

NO DISCUSSION

352 VOTE The motion passed 4-0. Ayes:

REPS.

WHITTY, BURTON, CARTER, BRIAN,
REP. GIROD** (see meter 321 Tape

39B)

and CHAIR BRIAN.

367 CHAIR BRIAN closed the Work Session on opened the Public Hearing on SB
272 .

385 JANICE DRUIAN gave an overview of SB 272, which specifically relates to
dates that were changed under Measure 5 that effected the time available to
value property and get it on the roll. She

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discussed the specific date changes. She believed that SB 272 changed a
situation that prevented accurate values being given to property, and she
discussed the consequences of this.

TAPE 40 SIDE A

008 CHAIR BRIAN closed the Public Hearing on SB 272 and opened the Work
Session on SB 272.

009 MOTION

REP. CARTER moved SB 272 to the
full Committee with a do-pass
recommendation.

NO DISCUSSION

012 VOTE

The motion passed. Ayes: REPS.
BURTON, CARTER, WHITTY, GIROD**
(see meter 326 Tape 39B below),
and CHAIR BRIAN.

020 CHAIR BRIAN opened the Public Hearing on SB 14A.

033 JIM MANARY began his discussion of SB 14A with Section 61, which
authorized interest on refunds. This was left out of HB 2550 from the 1991
Session, which incorporated into tax law changes forced by Measure 5.
Questions and discussion

056 JIM MANARY said Section 62 of SB 14A ratified what the DOR did in
ordering the Boards of Equalization during the last biennium.
Questions and discussion

062 JIM MANARY explained that Section 63 eliminated language concerning the
Board of Equalization, and related to counties being able to set up

accounts to cover potential refund situations.

082 JIM MANARY said Section 64 had a small housekeeping change. Section 65 relates to Western Oregon Tax Law, lining it up with the new July 1st date implemented in HB 2550.

Questions and discussion

102 JIM MANARY continued his explanation of date changes in

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Section 65.

Questions and discussion about forest land appeals.

126 JIM MANARY related that Section 66 of SB 14A changed dates for Eastern Oregon Forest Land. Also the word "decree" was changed to "judgment" as advised by the Tax Court. Section 67 changed an incorrect reference to the Oregon Constitution.

144 JIM SCHERZINGER clarified the incorrect reference to the Oregon Constitution.

Questions and discussion

152 JIM MANARY further explained Section 67. Section 68 changed references to dates to be consistent with HB 2550, as does Section 69, which deals with commercial fishing licenses

Questions and discussion interspersed

175 JIM MANARY said Section 70 changed an incorrect Oregon Revised Statutes (ORS) reference. Section 71 changed an ORS site due to Section 60 of SB 14A. An ORS reference was taken out of Section 72. Section 73 related to when a notice of levy is not given on time to the assessor, and eliminates this section of tax law because it is no longer applicable due to HB 2550. Section 74 contains application dates. Section 75 was an amendment to SB 14A from the Associated Oregon Industries, and relates to a problem

with one company that mistakenly filed their application for exemption to the assessor's office instead of the DOR after industrial appraisals were switched to the DOR.

Questions and discussion

252 JIM MANARY said Section 76 had a prospective issue. Section 77, which relates to commercial facilities under construction filing with the DOR. Section 78 changed a date related to those commercial facilities under construction. The refund relating to Sections 77 and 78 amounted to \$96,000, and he gave members a handout that described this impact. The money would come out of the unsegregated tax account, resulting in the fact that all taxing districts in Coos County would share the loss. He identified the four major districts that would be effected (information on handout). A special provision in Section 78 spreads the refund to three years with no interest. Exhibit 4

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308 JIM MANARY mentioned that Section 79 is pollution control facility exemption, related to filing for exemption, and this section is a prospective only.

324 CHAIR BRIAN mentioned amendments to SB 14, SB 14-A8, relating to

petitioners who file tax cases. Exhibit 5

324 JIM MANARY answered questions related to SB 14A asked previously by Committee members. One related to Section 15 on the terminology "proper officer." Although this is the tax collector in most cases, sometimes DOR personnel may fill this position or the assessor may. He believed this was proper language in SB 14A. Section 25 eliminates language, and this was an "imminent domain powers" issue. In Section 35, page 20, relating to the DOR giving notice of the values of centrally assessed property, the members had asked what "day" was referred to. He said the day is the second Monday in June.

Questions and discussion concerning notification of assessed value of centrally assessed property by the DOR.

TAPE 39 SIDE

B

002 Questions and discussion continued.

023 JIM MANARY said another question related to Section 36, having to do with the Board of Ratio Review and the recruiting of members around the July 4th weekend (the date is July 5th), and he explained why this date was chosen.

Questions and discussion

041 JIM MANARY discussed the responsibilities of the "Board of Ratio Review" in Section 36. He believed, upon advice, language could be deleted from this section, and he informed the members what language.

058 JIM MANARY said in Section 38, line 31, related to "audio" or "electronic" recordings of meetings. He didn't know if these two terms covered "tape recorded" meetings. Also, these terms might not cover the video taping of meetings.

Questions and discussion interspersed

100 6 B.J. SMITH commented on Section 38, clarifying a discussion

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she had with the City of Coos Bay concerning what gives rise to the conditions described in Section 38 (refunds being paid from the unsegregated tax collections).

Discussion

140 CHAIR BRIAN discussed the amendments SB 14-A8 relating to petitioners of taxes, fees, or charges on the local level being put outside the impact of Measure 5 (page 5, line 40 of SB 14A). Exhibit 5

Questions and discussion

204 MOTION

REP. GIROD moved to amend the amendments SB 14-A8 to include the words "or more" on line 3 after the word "ten" and deleting lines 6 and 7.

NO DISCUSSION

225 ORDER

There being no objection, CHAIR BRIAN so ordered.

230 MOTION

REP. BURTON moved to adopt the

- amendments SB 14-A8.

NO DISCUSSION

234 ORDER There being no objection, CHAIR BRIAN so ordered.

241 CHAIR BRIAN discussed other changes that needed to be done with SB 14A.

240 MOTION REP. BURTON moved to amend SB 14A engrossed, Section 37, page 22, line 6, by inserting a period after the word "property" and deleting the rest of the line.

246 ORDER There being no objection, CHAIR BRIAN so ordered.

249 CHAIR BRIAN closed the Public Hearing on SB 14A and opened the Work Session on SB 14A.

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253 JIM SCHERZINGER clarified that the subcommittee technically does not have the power to amend the bill, but rather agreeing to propose amendments to present to the full Committee.

266 MOTION CHAIR BRIAN asked the members to agree to ratify the two motions (Tape 39, Side B, meter readings 204, 230, and 240) passed above (work done in Public Hearing should have been done in Work Session).

271 ORDER There being no objection, Chair Brian so ordered.

274 JIM SCHERZINGER said on Page 37, line 6 the comma could be eliminated.

281 MOTION REP. BURTON moved to amend SB 14A engrossed the deletion of the comma after the word "year" in Section 63, page 37, line 6.

NO DISCUSSION

285 ORDER There being no objection, CHAIR BRIAN so ordered.

Discussion

316 CHAIR BRIAN closed the Work Session on SB 14A and conducted administrative business.

318 CHAIR BRIAN asked unanimous consent to allow REP. GIROD to vote on SB 9A.

321 VOTE** (TAPE 39A, METER 352) REP. GIROD voted aye on SB 9A.

322 CHAIR BRIAN asked unanimous consent to allow REP. GIROD to vote on SB 272 .

326 VOTE** (TAPE 40A, METER 0122) REP. GIROD VOTED aye on SB 272.

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313 CHAIR BRIAN adjourned the meeting at 11:46.

Paula K.McBride, Committee Assistant
Kimberly Taylor, Office Manager

EXHIBIT SUMMARY

1. Staff Measure Summary, SB 9A, Steve Meyer, Legislative Revenue Office.
2. Revenue Analysis of Proposed Legislation, SB 9A, Steve Meyer, Legislative Revenue Office.
3. Fiscal Impact Assessment, SB 9A, Legislative Fiscal Office.
4. Impact for AOI Amendments, SB 14, Jim Manary, Department of Revenue, 2/5/93.
5. SB 14-A8, Chair Brian.
6. Staff Measure Summary, SB 272, Steve Meyer, Legislative Revenue Office.
7. Revenue Analysis of Proposed Legislation, SB 272, Steve Meyer, Legislative Revenue Office.
8. Fiscal Impact Assessment, Legislative Fiscal Office.

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